

**STANDARD**

# Standard Locknut, LLC

contract machining & bearing accessories

Via Email and USPS

May 28, 2009

Jennifer Long  
IN Dept. of Workforce Development  
10 North Senate Street  
Indianapolis, IN 46204

WARN NOTICE  
RECEIVED

JUN - 1 2009

DISLOCATED WORKER UNIT

Dear Ms. Long:

This letter is an amendment to the notice I sent on May 13, 2009, which I have attached. Approximately 10 more employees are going to be affected by the reduction in force necessitated by the sudden and unexpected loss of over 80% of the demand for our products and services. For the majority of affected employees, this action will take place within the 13-day period after May 14, 2009. Affected employees have no bumping rights. There is no union representation. The number of workers and job titles of affected positions are included on the last page of this notice.

Additionally, notice is being extended for two affected employees; the dates and job titles are also noted below.

Requests for further information from Standard Locknut, LLC concerning this matter should be directed to our Executive VP and COO, - Mr. David Langenkamp at 317-399-2241.

Sincerely,

  
Amy L. Hardesty, SPHR  
Manager - Human Resources



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Please be advised that Standard Locknut, LLC will be implementing a sizeable employee reduction of indefinite duration at our facility in Westfield at the following address: 1045 E. 169<sup>th</sup> Street, Westfield, IN 46074.

Although the market for our products and services has been in decline since early January, we have managed to avoid severe downsizing by leveraging work rotation schedules that kept our employment numbers strong in spite of a softening market. This week, we learned that our largest customer has implemented a strategy to reduce their current level of inventory - inventory that Standard Locknut provides. This equates to a sudden, unexpected, and prolonged decrease in demand of over 80%. The duration of this effort will be longer than ordinary due to the current low level of demand for their finished product.

We have also recently come to the conclusion that ordinary levels of demand for our products and services provided to the balance of our customer base will not be restored to reasonable levels anytime in 2009. As a result, we must make immediate further reductions in our workforce. Approximately 39 employees will be affected in this layoff, joining a group of 35 previously affected in April.

Accordingly, this letter shall serve as notice required pursuant to the Worker Adjustment and Retraining Notification Act ("WARN"). We are unable to provide 60 days notice due to the unforeseeable loss of business from our largest customer.

Although this action is expected to be temporary, it is indefinite in nature and more cuts may be realized if demand continues to fall. The plant will remain in operation at roughly 45% of the 2008 capacity.

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**Employment layoffs effective June 12, 2009**

<b>Job Title</b>	<b>Number of Employees</b>
Staff Accountant	1

**Employment layoffs effective May 14, 2009 (or 13 day period after)**

<b>Job Title</b>	<b>Number of Employees</b>
CNC Set-up/Operators	27
Cycle Counter	1
Shipper/Packer	3
Utility/Warehouse Driver	1
Floor/Gage Inspector	4
CNC Programmer	1
Maintenance	2
Secondary SU/Operator	1
Saw SU/Operator	2
SR IT Network Engineer	1

**Employment layoffs effective April 16, 2009**

<b>Job Title</b>	<b>Number of Employees</b>
MRO Buyer	1
HR Generalist	1
Utility/Warehouse	2
Shipper/packer	2
Shipping/Receiving	1
Saw SU/Operator	5
General Labor	4
Packer	2
Secondary SU/Operator	10
CNC SU/Operator	6

**Employment separation effective April 10, 2009**

<b>Job Title</b>	<b>Number of Employees</b>
Maintenance Mgr	1